

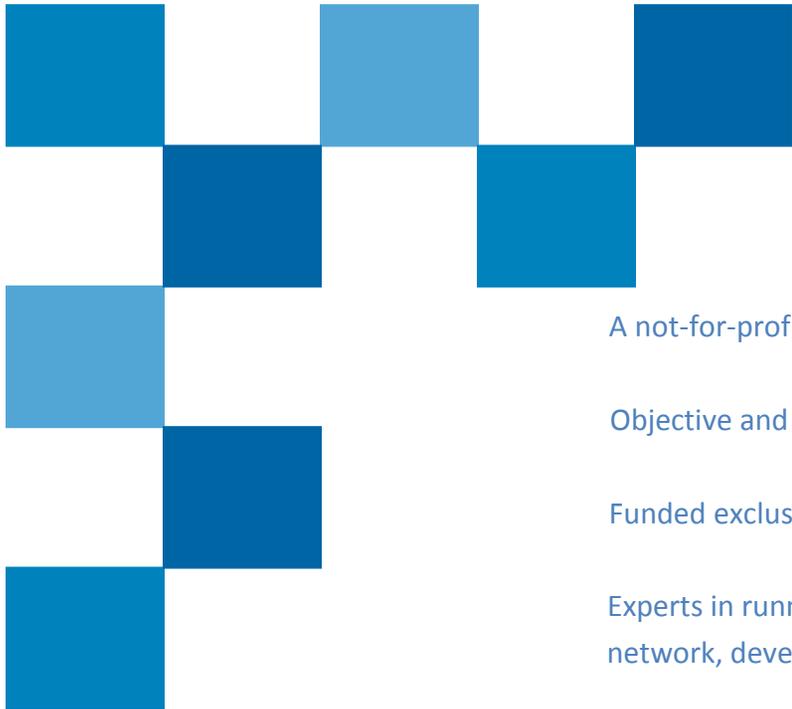


HALIFAX CHAMBER
OF COMMERCE
stronger together

Energy Position Paper

Approved by the Board of the Halifax
Chamber of Commerce on March 25th 2010





WE ARE

A not-for-profit business organization that takes a business - like approach to its operations.

Objective and non-partisan; we do not lobby for specific interests.

Funded exclusively through membership fees and fees for services we provide.

Experts in running conferences, publishing and disseminating information, helping people network, developing leadership skills, and building community capacity.

Specialists in the development and advocacy of public policy.

Not a government department or agency.

Independent from, but affiliated with the Nova Scotia, Atlantic Provinces and Canadian Chamber of Commerce.

A diverse organization made up of businesses that mirror the Halifax, Nova Scotia and Canadian economies.

Introduction

The global and regional energy landscape has been dynamically changing. Dramatic fluctuations in pricing of energy sources, evolving carbon constraints and access to energy markets, make energy issues a critical focus of developing a sustainable future for Nova Scotians.

Nova Scotia will approve a new Renewable Energy Strategy in 2010. The province has committed to source 25 per cent of electricity from renewable energy sources by 2015 and 40 per cent by 2020. The Chamber has provided input to the province on concerning content of the renewed strategy.

In the near future, the Chamber will be asked to make public statements concerning the future direction of energy policies and scenarios in Nova Scotia and in particular, their impact on business. The following document outlines the Chamber's position in five key areas: energy security, energy scenarios, energy policies, energy for the built environment and energy infrastructure.

1. Energy Security

The Chamber uses the term "energy security" broadly, to refer to an energy supply that is available, reliable, affordable and clean; in other words, sustainable. Issues of renewable electricity sources, space heating and transportation energy uses should be included as part of efforts to increase energy security. The Chamber will continue to work with the Nova Scotia Department of Energy to ensure that a clear and effective energy security policy for Nova Scotia is developed as a part of the framework of the Renewed Energy Strategy.

The Chamber recommends to the Province:

- Developing a clear and effective energy security policy as part of the framework of the Renewed Energy Strategy.

2. Renewable Energy Strategy

The Chamber participated in the stakeholder consultations process for a New Renewable Energy Strategy for Nova Scotia conducted by Dalhousie University. Dr. David Wheeler's report presents a three phased approach to achieve the short term target while laying the ground for more ambitious targets to 2020 and post-2020.

The Chamber recommends:

- Supporting a renewable energy development strategy that builds on current resources and technology strengths (wind, forest biomass) in Nova Scotia, while enhancing emerging technologies (tidal, solar), energy conservation and efficiency.

3. Advanced Energy Policies

The Chamber supports best practices in energy policy, specifically the measured deployment of Feed-in Tariff (FIT). FITs provide a clear business case for the industry and ensures that project developers have fair returns. . A FIT is a policy mechanism designed to encourage the adoption of renewable energy sources. It typically includes three key provisions: guaranteed grid access; long-term contracts for the electricity produced; and purchase prices that are based on the cost of renewable energy generation. Under a FIT, an obligation is imposed on electricity utilities to buy renewable electricity from all eligible participants.

FITs are credited for the rapid development of wind and solar in many European countries such as Denmark and Germany. Ontario's Green Energy Act with its use of FITs is ramping up the development of renewables for that province. FITs should be implemented in a way that maintains the balance of interests between rate payers and developers, and facilitates the development of the renewable energy sector in Nova Scotia.

The Chamber recommends:

- Deploying a FIT designed to encourage the adoption of renewable energy sources

4. Energy for the Built Environment

A broad deployment of distributed building-integrated renewable energy technologies, along with consistent energy efficiency and conservation measures, would make a considerable contribution to meeting renewable targets and greenhouse gas reduction goals in Nova Scotia.

The Chamber recommends:

- Continued upgrading of the existing policy framework in the province, including commercial building codes and community planning requirements
- Introducing aggressive policies targeting “net-zero energy building” objectives for new and existing buildings and residential dwellings. A net-zero energy building is a general term applied to a building's use with zero net energy consumption and zero carbon emissions annually. Zero energy buildings completely or very significantly reduce energy use and greenhouse gas emissions for the life of the building.
- Facilitating on-site renewable energy generation
- Promoting and supporting district heating and cooling

5. Energy Infrastructure

Nova Scotia is rich with wind, biomass, ocean and solar energy resources. The province should facilitate the growth of the energy industry so Nova Scotians can benefit from these abundant clean energy resources, as well

as from the proximity of high value markets through the development of business opportunities. Electricity generated from these resources may become a major export product and a future economic pillar.

Currently, Nova Scotia is essentially an energy island. A major investment in power transmission infrastructure, along with implementation of a regional energy approach is needed to ensure this “green power” can be delivered to market. This infrastructure will also address the intermittent nature of renewable energy sources.

Developing critical power infrastructure will contribute to meeting renewable energy generation goals and reducing greenhouse gas emissions. Therefore, “electricity markets integration” should be a key category in the Renewed Energy Strategy.

The Chamber recommends:

- Implementation of a regional energy approach
- Facilitate the growth of the energy industry so Nova Scotians can benefit from the growth of the energy industry and green collar jobs
- Including “electricity markets integration” as a key piece in the Renewed Energy Strategy

Conclusion

Energy is an integral part of three of the Chamber’s priorities: economic development/ economic growth, competitive positioning and sustainability. Energy also has direct implications on the Chamber’s fourth priority, which is “people”.

The Chamber's strong position on key issues such as sustainable energy development and energy security make the Chamber a leader on the energy front in Halifax and in Nova Scotia.

The Chamber's positions on energy which are contained in this document stem from past policy work and the input of experts and entrepreneurs involved in the energy industry

The Chamber's Energy Advisory Group members include:

Chair, Alex Pavlovski, Green Power Labs

John Crace, WHW Architects

Jim Simmons, Stantec

Steve Foran, Give Raising Development Services

Ron Farrell, NSCC, Dean of Trades & Technology

Wendy Harrington, Prudential

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Larry Hughes, Dalhousie University (on temporary leave)

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